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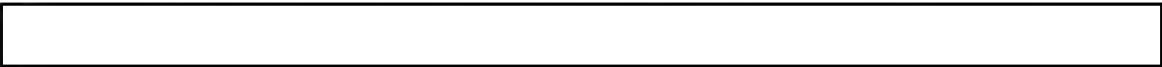
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USSR-IRAN: Brezhnev's Statement

[] Soviet President Brezhnev's statement on Iran that appeared in Pravda yesterday marks a considerable change from the USSR's previously cautious posture on the Shah's troubles and seems designed to appeal to the Shah's opponents.

[] By using this highly conspicuous and authoritative format to warn about alleged US plans for military intervention in Iran, and to assert a direct Soviet security interest in that contingency, the Soviets have implicitly sought to portray themselves as protectors of the opposition in Iran and defenders of any future neutralist regime there.

[] The statement puts the Soviets in a position to claim that they have deterred the US from action that they probably think unlikely in any event. At the same time, Brezhnev has gone out of his way to challenge the firmness of the US denial of any intention to interfere in Iran and has thus sought to aggravate fears and hostility toward the US among the Shah's opponents.

[] The decision to issue this statement suggests that the Soviets are now looking beyond the Shah with some anticipation of political profit. They may visualize a period of prolonged instability in Iran under a permanently weakened Shah or a variety of successor governments, during which they foresee some chance to encourage the erosion both of Iran's association with the US and of its ability and inclination to oppose Soviet interests in the Middle East.

[] Although the Soviets have probably not written off the Shah, they may judge that making this anti-US gesture to his opponents offers future benefits that would outweigh the consequences of the Shah's anger, if he should survive. []

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ITALY: Political Tension

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[] Italian Prime Minister Andreotti has returned from a six-day Middle East trip and is likely to face mounting political tension stemming mainly from a proposed cabinet reorganization and from the impending re-negotiation of three-year collective labor contracts covering about 5 million workers. Both are issues that may contribute to the future erosion of support for his fragile governing arrangement.

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[] Andreotti's most recent political difficulties result from concern among some Christian Democrats and members of the other parties supporting the government--especially the Communists--over Andreotti's choice of a successor for Industry Minister Carlo Donat Cattin, who is resigning soon to accept a Christian Democratic Party post.

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[] The Prime Minister's Christian Democratic rivals fear that his plan to appoint a "technician" to this post, rather than a politically active Christian Democrat, would upset the delicate factional balance in the cabinet in favor of Andreotti's supporters. Members of the Socialist and the Social Democratic parties object to Andreotti's choice on the grounds that the post is too important and politically oriented to be filled by a "technician."

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[] Although the Communist Party has not yet taken a position on the issue, it will probably insist on being consulted on the choice; the Communists would not want Andreotti to depart from the precedent he established last summer when he formally consulted them on the appointment of a new Interior Minister. Andreotti reportedly planned to convene the parties supporting the government upon his return from the Middle East in an attempt to defuse the growing controversy over his choice.

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[] Andreotti will also be facing a series of economic problems, especially in the labor field. Last Thursday a general strike of 10 million workers highlighted labor's demands for increased government investment and job creation. The contract negotiations scheduled to begin next month constitute the first test of organized labor's decision adopted last spring in favor of moderate wage demands. Since then, however, this policy has come under increasing attack from the rank and file.

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[redacted] Holding the line on wage demands is essential to the success of the government's proposed economic plan aimed at controlling inflation and curbing the public sector deficit. Treasury Minister Pandolfi, the plan's chief author, has threatened to resign if the plan is undercut by excessive wage increases--a development that the Andreotti government would have trouble weathering.

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[redacted] Meanwhile, political leaders will be awaiting the results of some important local elections in the northeast yesterday, hoping for clues to the parties' current relative strengths. Any significant results could intensify the political maneuvering in Rome. [redacted]

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USSR-AFGHANISTAN: Relations

25X1 [] Recent statements by Afghan leaders emphasizing their close relations with the USSR may be an attempt to demonstrate to domestic enemies and their potential foreign supporters--particularly Pakistan--that the government has powerful backing. In so doing, however, the government risks increasing popular discontent. These remarks may also cause some embarrassment to Moscow, which has been attempting to play down its growing involvement in Afghan affairs since the coup in April.

25X1 [] In the past few weeks, President Taraki has publicly emphasized the importance of Soviet economic assistance to Afghanistan and the press has attacked critics of Soviet-Afghan relations. Foreign Minister Amin has characterized the Afghan revolution as a continuation of the Soviet "Great October Socialist Revolution;" he recalled that "the great Lenin" had expected Afghanistan to lead the liberation of the Islamic countries. The entire Afghan cabinet and Politburo attended a national day reception at the Soviet Embassy, presumably in a further effort to demonstrate close ties.

25X1 [] Taraki's worries about Pakistan may be the primary motive behind his campaign. Tribal rebellions in eastern Afghanistan have gradually grown more serious, and the Afghans may well believe that the Pakistani Government is supporting the dissidents. There is no good evidence confirming this, although tribal and religious groups in Pakistan are probably assisting the rebels.

25X1 [] Taraki is undoubtedly aware that he risks increasing discontent among the xenophobic, deeply religious Afghan people by emphasizing a close relationship with foreign atheists. In the past, the government has tended to play down the closeness of this bilateral relationship. Taraki may now believe that the tribal situation has grown serious enough, and that the remainder of the country is under secure enough control, to warrant highlighting his ties to Moscow. []

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UN: Negative Security Assurances

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[REDACTED] //The five-day debate that ended early this month in the political committee of the UN General Assembly on security assurances to states that do not have nuclear weapons left the fate of a Soviet draft convention on the subject unresolved. Moscow had made its proposal in order to capitalize on the strong belief among many nonaligned states that the use of nuclear weapons against countries without such weapons should be outlawed. The Soviet initiative stimulated Pakistan to introduce its own draft convention. It differs from the Soviet text on key points, but both drafts are objectionable to the West. Negotiations will continue in the corridors, and the result will probably be a compromise resolution that refers the issue to the Committee on Disarmament in Geneva.//

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[REDACTED] //The question of security assurances to states that do not have nuclear weapons grew out of the nuclear Non-Proliferation Treaty of 1968 and has been linked to the issue of nuclear proliferation ever since. Many states argue that, in return for their renunciation of nuclear weapons, the nuclear powers should be committed to "negative" security assurances--renunciation of the use of or the threat to use nuclear weapons against states without such weapons.//

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[REDACTED] //This was one of the most contentious issues at the UN Special Session on Disarmament last spring, when the US, the USSR, and the UK each made declarations forswearing, under certain conditions, the use of nuclear weapons against countries that have no such weapons. These statements did not satisfy the nonaligned group, which called for a blanket renunciation of the use of nuclear weapons against states that have no such weapons on their territories.//

Current Proposals

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[REDACTED] //The protection offered by the Soviet draft convention would extend to parties that "refuse to manufacture or acquire" nuclear weapons and do not have nuclear weapons on "their territory or anywhere under their jurisdiction or control." This proposal has enabled the USSR to highlight the difference between its own formulation and those of the Western powers, which are more

restrictive and hence less attractive to the nonaligned states.//

25X1 [] //Incorporating the formulation into a convention would respond to the nonaligned preference for using binding legal instruments to commit the nuclear powers on arms control and security questions. It would also help dispel some uneasiness caused by Soviet Foreign Minister Gromyko's address at the Special Session, in which he seemed to link security assurances to the conclusion of bilateral agreements between the USSR and individual states that have no nuclear weapons.//

25X1 [] //Pakistan's alternative draft is intended to correct what Pakistan regards as serious faults in the Soviet draft and to broaden support for an international convention on the subject. The Pakistani text extends protection to countries without nuclear weapons that are "not parties to the nuclear security arrangements of some nuclear weapon powers." Unlike the Soviet convention, it does not require any state to renounce nuclear weapons. Both Pakistan and the USSR have introduced draft resolutions that request the Committee on Disarmament to negotiate an international agreement on the subject.//

Western Views

25X1 [] //Most Western governments believe that the nuclear powers could never agree on any single formulation for negative security assurances, and that an attempt to negotiate a convention would therefore be fruitless. They also believe that the Soviet and Pakistani proposals would undermine nonproliferation efforts because they would not prohibit states without nuclear weapons from acquiring them. The Western groups prefer to limit assurances to states that are parties to the Non-Proliferation Treaty or a similar international agreement, a requirement that the US and the UK included in their declarations at the Special Session.//

25X1 [] //The West European allies are concerned as well about retaining NATO's option to employ nuclear weapons against targets in Eastern Europe in the event of a Soviet-led conventional invasion. The Soviet draft would prohibit such a response as long as Moscow's allies did not have nuclear weapons on their territories.

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[] //The West also considers Pakistan's proposal deficient because NATO's security problem would remain the same even if the Warsaw Pact were dissolved, an event that would extend protection to the East European states because they would no longer be part of the "nuclear security arrangement" of a nuclear power. The West Europeans wish to withhold assurances--as the US and the British declarations do--from countries that are carrying out an attack either in alliance or in "association" with a nuclear power.//

Nonaligned Views

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[] //Most nonaligned states support a convention, although they realize that the Soviet formulation is tailored to fit Moscow's propaganda objectives and strategic requirements and is unacceptable to the West. They also have their own objections to the Soviet draft, the most serious of which concern the requirement that states without nuclear weapons "refuse" to acquire such weapons. A few nonaligned governments oppose it on the same grounds the West does--that it is vague and may damage nonproliferation efforts.//

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[] //Other states oppose any provision that would require them to renounce a weapon the major powers already have. They think this would only worsen an imbalance of obligations that was created when the nuclear powers failed to follow the Non-Proliferation Treaty with substantial reductions in their own arsenals. Some take the position that they should in effect be renouncing nuclear weapons by signing such a convention, and therefore no further obligations on their part need be written into the document.//

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[] //The nonaligned states will thus lean toward a formulation that is closer to Pakistan's proposal than to the USSR's. Not all of them, however, share the enthusiasm for a convention on negative security assurances. The most important exception is India, which contends that nuclear weapons are most likely to be used against another nuclear power and that the only acceptable approach to the problem is to prohibit their use altogether. The Indians are pushing their own resolution, similar to one they introduced and then withdrew at the Special Session, that declares the use of nuclear weapons to be a violation of the UN Charter and a crime against humanity.//

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[REDACTED] //China's position is similar to India's, although predictably it criticizes the Soviet proposal more vehemently than India does. Peking has reiterated its no-first-use pledge and its call for complete dismantling of all nuclear arsenals.//

Outlook

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[REDACTED] //The Assembly is likely to adopt a resolution referring the issue to the Committee on Disarmament, and negotiations during the next two weeks will focus on exactly what to request of the Committee and what role the Soviet and Pakistani draft conventions will play in this request. The Western group prefers a procedural resolution that sidesteps the most important disputes. The Soviets, who have indicated their flexibility on details, will probably accept such an arrangement.//

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[REDACTED] //Pakistan and most nonaligned states prefer to have the concept of a convention approved before the question goes to Geneva, where any further decisions would be taken by consensus rather than majority vote. Even so, the nonaligned states are not likely to use their voting strength to pass a resolution that is clearly unacceptable to the Western nuclear powers, whose cooperation would be essential to any negative security measures. The resolution finally adopted will probably note the Soviet and Pakistani proposals but let the Committee on Disarmament decide whether a convention should be negotiated at all. [REDACTED]

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BRIEF

Portugal

25X1 [] Prime Minister - designate Mota Pinto announced his cabinet choices over the weekend after meeting with President Eanes. The President said he would swear in the new government on Wednesday. Its new program will be presented to parliament within the 10-day limit prescribed by the constitution and will probably be approved immediately.

25X1 [] The new cabinet consists mainly of independents, but it appears to have a more political cast than the outgoing cabinet of technocrats headed by caretaker Prime Minister Nobre da Costa. Mota Pinto may have intentionally assembled a more political cabinet in the hope that this would facilitate in the next five or six months the development of a long-range interparty accord, which he needs to stay in power until the regular election in 1980.

25X1 [] Mota Pinto's discussions with the parties have thus far shown little progress toward such an accord. If this attitude persists, the political situation will remain unstable and President Eanes might eventually dissolve the assembly and call a new election. He said in his speech to the nation in September that he would do this if an interparty accord providing majority legislative support were not reached in a reasonable time after a government program had been approved. []

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LATE ITEM

SPAIN

25X1 [] An alleged coup plot that Spanish officials uncovered late last week does not appear to have represented a serious challenge to the government or to the ratification of the constitution, although it will add to the mounting tension in Spain as the date for the referendum on the constitution approaches.

25X1 [] According to the Spanish press, two officers of the paramilitary national police forces approached a number of Army commanders for support in a move against the government. Their plan apparently was to seize the cabinet during its session Friday evening, name a rightist "national salvation government," and call on the Army and security forces to back them.

25X1 [] Army commanders, however, reported the overtures to their superiors, some of whom informed the government. Security officials arrested the two officers on Thursday. There is no apparent connection between this plot and the coup plotting of a group of high-level, ultrarightist officers reported earlier this year.

25X1 [] The consensus in Spain appears to be that this incident was "more than grumbling, but less than a serious coup attempt." Nevertheless, it comes on the heels of recent public displays of indiscipline in the Armed Police

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25X1 [] The Army, too, is deeply concerned by the government's apparent inability to curb the wave of terrorist attacks in the Basque region and by the resulting low morale in the security forces. During a meeting between Defense Minister Gutierrez Mellado and a large gathering of military officers on Friday, the local commander of the Civil Guard was placed under arrest after he called the minister a traitor, according to press reports.

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[] Yesterday in Madrid ultrarightist crowds-- estimated at from 100,000 to 300,000--accused the government of treason and called for the Army to seize power as they rallied to commemorate the third anniversary of former Spanish leader Franco's death.

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[] Although the vast majority of military officers reportedly remain loyal to the King, the coup plot and the ultraright's increasingly strident calls for a take-over by the Army will increase tension in Spain as extremists of both left and right prepare a last bid to prevent ratification of the constitution on 6 December.

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